



## Senate

General Assembly

**File No. 128**

*January Session, 2001*

Substitute Senate Bill No. 1124

*Senate, April 4, 2001*

The Committee on Planning and Development reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT CONCERNING A UNIFORM ADMINISTRATIVE REVIEW  
PROCESS RELATED TO CERTAIN STATE-REIMBURSED PROPERTY  
TAX EXEMPTIONS, PROPERTY TAX CREDITS AND RENTAL  
REBATES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (a) As used in this section:
- 2 (1) "Claimant" means a person, company, limited liability company,
- 3 firm, association, corporation or other business entity having received
- 4 approval for financial assistance from a town's assessor or a municipal
- 5 official;
- 6 (2) "Financial assistance" means a property tax exemption, property
- 7 tax credit or rental rebate for which the state of Connecticut provides
- 8 direct or indirect reimbursement; and
- 9 (3) "Program" means (A) property tax exemptions under section 12-

10 81g of the general statutes or subdivision (55), (59), (60), (70), (72) or  
11 (74) of section 12-81 of the general statutes, (B) tax relief pursuant to  
12 section 12-129d of the general statutes, as amended by this act, or  
13 section 12-170aa of the general statutes, as amended by this act, and  
14 (C) rebates under section 12-170d of the general statutes.

15 (b) A claimant negatively affected by a decision of the Secretary of  
16 the Office of Policy and Management with respect to any program may  
17 appeal such decision in the manner set forth in subsection (d) of this  
18 section. Any notice the secretary issues pursuant to this section shall be  
19 sent by first class United States mail to a claimant at the address  
20 entered on the application for financial assistance as filed unless,  
21 subsequent to the date of said filing, the claimant sends the secretary a  
22 written request that any correspondence regarding said financial  
23 assistance be sent to another name or address. The date of any notice  
24 sent by the secretary pursuant to this section shall be deemed to be the  
25 date the notice is delivered to the claimant.

26 (c) The secretary may review any application for financial assistance  
27 submitted by a claimant in conjunction with a program. The secretary  
28 may exclude from reimbursement any property included in an  
29 application that, in the secretary's judgment, does not qualify for  
30 financial assistance or may modify the amount of any financial  
31 assistance approved by an assessor or municipal official in the event  
32 the secretary finds it to be mathematically incorrect, not supported by  
33 the application, not in conformance with law or if the secretary  
34 believes that additional information is needed to justify its approval.

35 (d) (1) If the secretary modifies the amount of financial assistance  
36 approved by an assessor or municipal official under a program, or  
37 determines that the claimant who filed written application for such  
38 financial assistance is ineligible therefor, the secretary shall send a  
39 written notice of preliminary modification or denial to said claimant  
40 and shall concurrently forward a copy to the office of the assessor or

41 municipal official who approved said financial assistance. The notice  
42 shall include plain language setting forth the reason for the  
43 preliminary modification or denial, the name and telephone number of  
44 a member of the secretary's staff to whom questions regarding the  
45 notice may be addressed, a request for any additional information or  
46 documentation that the secretary believes is needed in order to justify  
47 the approval of such financial assistance, the manner by which the  
48 claimant may request reconsideration of the secretary's determination  
49 and the timeframe for doing so. Not later than ninety days after the  
50 date an assessor receives a copy of such preliminary notice, the  
51 assessor shall determine whether an increase to the taxable grand list  
52 of the town is required to be made as a result of such modification or  
53 denial, unless, in the interim, the assessor has received written  
54 notification from the secretary that a request for a hearing with respect  
55 to such financial assistance has been approved pursuant to  
56 subparagraph (B) of subdivision (2) of this subsection. If an assessment  
57 increase is warranted, the assessor shall promptly issue a certificate of  
58 correction adding the value of such property to the taxable grand list  
59 for the appropriate assessment year and shall forward a copy thereof  
60 to the tax collector, who shall, not later than thirty days following,  
61 issue a bill for the amount of the additional tax due as a result of such  
62 increase. Such additional tax shall become due and payable not later  
63 than thirty days from the date such bill is sent and shall be subject to  
64 interest for delinquent taxes as provided in section 12-146 of the  
65 general statutes. With respect to the denial or modification of financial  
66 assistance for which a hearing is held, the assessor shall not issue a  
67 certificate of correction until the assessor receives written notice of the  
68 secretary's final determination following such hearing.

69 (2) (A) Any claimant aggrieved by the secretary's notice of  
70 preliminary modification or denial of financial assistance under a  
71 program may, not later than thirty business days after receiving said  
72 notice, request a reconsideration of the secretary's decision for any  
73 factual reason, provided the claimant states the reason for the

74 reconsideration request in writing and concurrently provides any  
75 additional information or documentation that the secretary may have  
76 requested in the preliminary notice of modification or denial. The  
77 secretary may grant an extension of the date by which a claimant's  
78 additional information or documentation must be submitted, upon  
79 receipt of proof that the claimant has requested such data from another  
80 governmental agency or if the secretary determines there is good cause  
81 for doing so.

82 (B) Not later than thirty business days after receiving a claimant's  
83 request for reconsideration and any additional information or  
84 documentation the claimant has provided, the secretary shall  
85 reconsider the preliminary decision to modify or deny said financial  
86 assistance and shall send the claimant a written notice of  
87 determination. If aggrieved by the secretary's notice of determination  
88 with respect to said financial assistance, the claimant may, not later  
89 than thirty business days after receiving said notice, make application  
90 for a hearing before said secretary, or the secretary's designee. Such  
91 application shall be in writing and shall set forth the reason why the  
92 financial assistance in question should not be modified or denied. Not  
93 later than thirty business days after receiving an application for a  
94 hearing, the secretary shall grant or deny such hearing request by  
95 written notice to the claimant. If the secretary denies the claimant's  
96 request for a hearing, such notice shall state the reason for said denial.  
97 If the secretary grants the claimant's request for a hearing, the  
98 secretary shall send written notice of the date, time and place of the  
99 hearing, which shall be held not later than thirty business days after  
100 the date of the secretary's notice granting the claimant a hearing. Such  
101 hearing may, at the secretary's discretion, be held in the judicial  
102 district in which the claimant or the claimant's property is located. Not  
103 later than thirty business days after the date on which a hearing is  
104 held, a written notice of the secretary's final determination shall be  
105 sent to the claimant and a copy thereof shall be concurrently sent to the  
106 assessor or municipal official who approved the financial assistance in

107 question.

108       (3) If any claimant is aggrieved by the secretary's final  
109 determination concerning the claimant's financial assistance or the  
110 secretary's decision not to hold a hearing, such claimant may, not later  
111 than thirty business days after receiving the secretary's notice related  
112 thereto, appeal to the superior court of the judicial district in which the  
113 claimant resides or in which the claimant's property that is the subject  
114 of the appeal is located. Such appeal shall be accompanied by a citation  
115 to the secretary to appear before said court, and shall be served and  
116 returned in the same manner as is required in the case of a summons in  
117 a civil action. The pendency of such appeal shall not suspend any  
118 action by a municipality to collect property taxes from the applicant on  
119 the property that is the subject of the appeal. The authority issuing the  
120 citation shall take from the applicant a bond or recognizance to the  
121 state of Connecticut, with surety, to prosecute the application in effect  
122 and to comply with the orders and decrees of the court in the premises.  
123 Such applications shall be preferred cases, to be heard, unless cause  
124 appears to the contrary, at the first session, by the court or by a  
125 committee appointed by the court. Said court may grant such relief as  
126 may be equitable and, if the application is without probable cause,  
127 may tax double or triple costs, as the case demands; and, upon all  
128 applications which are denied, costs may be taxed against the  
129 applicant at the discretion of the court, but no costs shall be taxed  
130 against the state.

131       (4) Not later than the date by which the secretary is required to  
132 certify to the Comptroller the amount of payment with respect to any  
133 such program, the secretary shall notify each claimant of the final  
134 modification or denial of financial assistance as claimed, in accordance  
135 with the procedure set forth in subsection (d) of this section. A copy of  
136 the notice of final modification or denial shall be sent concurrently to  
137 the assessor or municipal official who approved such financial  
138 assistance.

139       Sec. 2. Section 12-81g of the general statutes is repealed and the  
140       following is substituted in lieu thereof:

141       (a) Effective for the assessment year commencing October 1, 1985,  
142       and each assessment year thereafter, any person entitled to an  
143       exemption from property tax in accordance with subdivision (19), (20),  
144       (21), (22), (23), (24), (25) or (26) of section 12-81, reflecting any increase  
145       made pursuant to the provisions of section 12-62g, shall be entitled to  
146       an additional exemption from such tax in an amount equal to twice the  
147       amount of the exemption provided for such person pursuant to any  
148       such subdivision, provided such person's qualifying income does not  
149       exceed the applicable maximum amount as provided under section  
150       12-81l, except that if such person has a disability rating of one hundred  
151       per cent as determined by the Veterans' Administration of the United  
152       States, the total of such adjusted gross income, individually, if  
153       unmarried, or jointly, if married, in the calendar year ending  
154       immediately preceding the assessment date with respect to which such  
155       additional exemption is allowed, is not more than twenty-one  
156       thousand dollars if such person is married or not more than eighteen  
157       thousand dollars if such person is not married. Any claimant who, for  
158       the purpose of obtaining an exemption under this section, wilfully fails  
159       to disclose all matters related thereto or with intent to defraud makes  
160       any false statement shall forfeit the right to claim such additional  
161       veteran's exemption.

162       (b) Effective for the assessment year commencing October 1, 1986,  
163       and each assessment year thereafter, any person entitled to an  
164       exemption from property tax in accordance with subdivision (19), (20),  
165       (21), (22), (23), (24), (25) or (26) of section 12-81, reflecting any increase  
166       made pursuant to the provisions of section 12-62g, and who is not  
167       receiving or is not eligible to receive the additional exemption under  
168       subsection (a) of this section, shall be entitled to an additional  
169       exemption from such tax in an amount equal to one-half of the amount  
170       of the exemption provided for such person pursuant to any such

171 subdivision.

172 (c) The state shall reimburse each town, city, borough, consolidated  
173 town and city and consolidated town and borough by the last day of  
174 each calendar year in which exemptions were granted to the extent of  
175 the revenue loss represented by the additional exemptions provided  
176 for in subsections (a) and (b) of this section. The Secretary of the Office  
177 of Policy and Management shall review each claim for such revenue  
178 loss as provided in section 1 of this act. Any claimant aggrieved by the  
179 results of the secretary's review shall have the rights of appeal as set  
180 forth in section 1 of this act.

181 (d) The Secretary of the Office of Policy and Management shall  
182 adopt regulations, in accordance with the provisions of chapter 54,  
183 establishing: (1) A procedure under which a municipality shall  
184 determine eligibility for the additional exemption under subsection (a)  
185 of this section, provided such procedure shall include a provision that  
186 when an applicant has filed for such exemption and received approval  
187 for the first time, such applicant shall be required to file for such  
188 exemption biennially thereafter, subject to the provisions of subsection  
189 [(f)] (e) of this section; (2) the manner in which a municipality shall  
190 apply for reimbursement from the state for the revenue loss  
191 represented by the additional exemptions provided for in subsections  
192 (a) and (b) of this section, which shall provide a penalty for late filing  
193 of such application for reimbursement of two hundred fifty dollars but  
194 shall also provide that the secretary may waive such forfeiture in  
195 accordance with procedures and standards contained in such  
196 regulations; and (3) the manner in which the Office of Policy and  
197 Management may audit and make adjustments to applications for  
198 reimbursement from municipalities for a period of not more than one  
199 year next succeeding the deadline for such application.

200 [(e) Any person aggrieved by action of the assessor or board of  
201 assessors in disapproving any application for an additional veteran's

202 exemption from property tax, as provided under this section, may  
203 appeal to the Secretary of the Office of Policy and Management, in  
204 writing, within thirty days following receipt of notice of denial of such  
205 exemption by the assessor or board of assessors. The secretary shall  
206 promptly consider such appeal and may approve or disapprove the  
207 application, provided such decision shall be made not later than sixty  
208 days following receipt of such written notice of appeal. Notice of the  
209 secretary's determination regarding the appeal shall be sent to the  
210 claimant in writing and a copy shall be forwarded to the assessor or  
211 board of assessors. If the claimant is aggrieved with respect to any  
212 action of the secretary under this section, such claimant may, within  
213 thirty days, appeal to the superior court for the judicial district in  
214 which such application is filed. Any claimant who, for the purpose of  
215 obtaining such additional veteran's exemption under this section,  
216 wilfully fails to disclose all matters related thereto or with intent to  
217 defraud makes any false statement shall forfeit the right to claim such  
218 additional veteran's exemption.]

219     [(f)] (e) Any person who has submitted application and been  
220 approved in any year for the additional exemption under subsection  
221 (a) of this section shall, in the year immediately following approval, be  
222 presumed to be qualified for such exemption. If, in the year  
223 immediately following approval, such person has qualifying income in  
224 excess of the maximum allowed under said subsection (a), such person  
225 shall notify the tax assessor in the town allowing the additional  
226 exemption on or before the next filing date for such exemption and  
227 shall be denied such exemption for the assessment year immediately  
228 following and for any subsequent year until such person has reapplied  
229 and again qualified for such exemption. Any person who fails to notify  
230 the tax assessor of such disqualification shall make payment to the  
231 town in the amount of property tax loss related to the exemption  
232 improperly taken. Not more than thirty days after discovering such  
233 person's ineligibility for the exemption, the assessor shall send written  
234 notification of such person's identity to the Secretary of the Office of



235 Policy and Management. If any payment was remitted under  
236 subsection (c) of this section with respect to a period for which such  
237 person was not eligible for the exemption, the amount of the next  
238 payment made to the town shall be reduced by the amount of payment  
239 made erroneously.

240 Sec. 3. Section 12-94a of the general statutes is repealed and the  
241 following is substituted in lieu thereof:

242 On or before July first, annually, the tax collector of each  
243 municipality shall certify to the Secretary of the Office of Policy and  
244 Management, on a form furnished by said secretary, the amount of tax  
245 revenue which such municipality, except for the provisions of  
246 subdivision (55) of section 12-81, would have received, together with  
247 such supporting information as said secretary may require. Any  
248 municipality which neglects to transmit to said secretary such claim  
249 and supporting documentation as required by this section shall forfeit  
250 two hundred fifty dollars to the state, provided said secretary may  
251 waive such forfeiture in accordance with procedures and standards  
252 adopted by regulation in accordance with chapter 54. Said secretary  
253 shall review each such claim [and, not later than the July first next  
254 succeeding the deadline for the receipt of such claims, shall notify each  
255 municipality of his acceptance or modification of such claim. Any  
256 municipality aggrieved by the action of the secretary under the  
257 provisions of this section may appeal therefrom within thirty days to  
258 the superior court for the judicial district in which the municipality is  
259 located. The Secretary of the Office of Policy and Management] as  
260 provided in section 1 of this act. Any claimant aggrieved by the results  
261 of the secretary's review shall have the rights of appeal as set forth in  
262 section 1 of this act. The secretary shall, on or before December first,  
263 annually, certify to the Comptroller the amount due each municipality  
264 under the provisions of this section, including any modification of  
265 such claim made prior to December first, and the Comptroller shall  
266 draw [his] an order on the Treasurer on or before the fifteenth day of

267 December following and the Treasurer shall pay the amount thereof to  
268 such municipality on or before the thirty-first day of December  
269 following. If any modification is made as the result of the provisions of  
270 this section on or after the December first following the date on which  
271 the tax collector has provided the amount of tax revenue in question,  
272 any adjustments to the amount due to any municipality for the period  
273 for which such modification was made shall be made in the next  
274 payment the Treasurer shall make to such municipality pursuant to  
275 this section. For the purposes of this section, "municipality" means a  
276 town, city, borough, consolidated town and city or consolidated town  
277 and borough.

278 Sec. 4. Section 12-94b of the general statutes is repealed and the  
279 following is substituted in lieu thereof:

280 [(a)] On or before March fifteenth, annually, commencing March 15,  
281 1998, the assessor or board of assessors of each municipality shall  
282 certify to the Secretary of the Office of Policy and Management, on a  
283 form furnished by said secretary, the amount of exemptions approved  
284 under the provisions of subdivisions (72) and (74) of section 12-81,  
285 together with such supporting information as said secretary may  
286 require including the number of exemption claimants so approved and  
287 the original copy of the [claims] applications filed by them. [Said  
288 secretary may reevaluate any vehicle included in such claim when, in  
289 his judgment, the valuation is inaccurate.] Said secretary shall review  
290 each such claim [and modify the value of any property included  
291 therein when, in his judgment, the value is inaccurate or exclude any  
292 property when, in his judgment, it does not qualify pursuant to  
293 subdivision (72) or (74) of section 12-81] as provided in section 1 of this  
294 act. Not later than December first next succeeding the conclusion of the  
295 assessment year for which [such exemption was approved by the  
296 assessor or assessors] the assessor approved such exemption, the  
297 secretary shall notify each claimant [and assessor or assessors] of the  
298 modification or denial of [his] the claimant's exemption, in accordance

299 with the procedure set forth in [subsection (b) of this] section 1 of this  
300 act. Any claimant aggrieved by the results of the secretary's review  
301 shall have the rights of appeal as set forth in section 1 of this act. The  
302 secretary shall, on or before December fifteenth, annually, certify to the  
303 Comptroller the amount due each municipality under the provisions of  
304 this section, including any modification of such claim made prior to  
305 December first, and the Comptroller shall draw [his] an order on the  
306 Treasurer on or before the twenty-fourth day of December following  
307 and the Treasurer shall pay the amount thereof to such municipality  
308 on or before the thirty-first day of December following. If any  
309 modification is made as the result of the provisions of this section on  
310 or after the December fifteenth following the date on which the  
311 assessor has provided the amount of the exemption in question, any  
312 adjustments to the amount due to any municipality for the period for  
313 which such modification was made shall be made in the next payment  
314 the Treasurer shall make to such municipality pursuant to this section.  
315 As used in this section, "municipality" means each town, city, borough,  
316 consolidated town and city and consolidated town and borough and  
317 each district, as defined in section 7-324, and "next succeeding" means  
318 the second such date.

319 [(b) (1) If the Secretary of the Office of Policy and Management  
320 modifies the value of machinery and equipment or a commercial  
321 motor vehicle which has been approved for exemption by the assessor  
322 or board of assessors under subdivision (72) or (74) of section 12-81, or  
323 determines that the person who filed written application for such  
324 exemption is ineligible therefor, the secretary shall send written notice  
325 of such modification or denial to said person, and shall forward a copy  
326 to the assessor or assessors who approved such exemption. Not later  
327 than ninety days after the date the assessor or assessors receive a copy  
328 of such notice, he or they shall determine whether an increase to the  
329 taxable grand list of the municipality is required to be made as a result  
330 of such modification or denial, unless, in the interim, the assessor or  
331 board of assessors have received notification from the Secretary of the

332 Office of Policy and Management that a request for a hearing with  
333 respect to such exemption has been made and approved pursuant to  
334 subdivision (2) of this subsection. If an increase is warranted, the  
335 assessor or assessors shall promptly issue a certificate of correction  
336 adding the value of such property to the taxable grand list and shall  
337 forward a copy thereof to the tax collector, who shall, not later than  
338 thirty days following, issue a bill for the amount of the additional tax  
339 due as a result of such increase. Such additional tax shall become due  
340 and payable not later than thirty days from the date such bill is sent,  
341 and shall be subject to interest for delinquent taxes as provided in  
342 section 12-146. With respect to the denial or modification of an  
343 exemption for which a hearing is held, the assessor or assessors shall  
344 not issue a certificate of correction until he or they receive notice from  
345 the Secretary of the Office of Policy and Management of the  
346 disposition of such hearing.

347 (2) Any person aggrieved by the modification or denial of an  
348 exemption under subdivision (72) or (74) of section 12-81 by the  
349 Secretary of the Office of Policy and Management may, not later than  
350 one month after receiving the secretary's notice of such modification or  
351 denial thereto, make application for a hearing before said secretary, or  
352 his designee. Such application shall be in writing and shall set forth the  
353 reasons why the exemption in question should not be modified or  
354 denied. The secretary shall grant or deny such hearing request by  
355 written notice to the applicant. If a request for hearing is denied by the  
356 secretary such notice shall contain a statement of the reason for said  
357 denial. Not later than sixty days after the date on which a hearing is  
358 held, said secretary shall send notice of his decision concerning such  
359 appeal to the applicant and shall forward a copy thereof to the assessor  
360 or assessors who approved the exemption in question. If any person is  
361 aggrieved by the secretary's decision concerning the disposition of his  
362 appeal or the secretary's decision not to hold a hearing, such person  
363 may, not later than one month after receiving a notice related thereto  
364 from the secretary, make application in the nature of an appeal to the

365 superior court of the judicial district in which the manufacturing  
366 facility is located or the commercial motor vehicle is subject to  
367 property taxation. Such application shall be accompanied by a citation  
368 to the secretary to appear before said court, and shall be served and  
369 returned in the same manner as is required in the case of a summons in  
370 a civil action. The pendency of such appeal shall not suspend any  
371 action by the municipality to collect property taxes from the applicant  
372 on the machinery and equipment or the commercial motor vehicle that  
373 is the subject of the appeal. The authority issuing the citation shall take  
374 from the applicant a bond or recognizance to the state of Connecticut,  
375 with surety, to prosecute the application in effect and to comply with  
376 the orders and decrees of the court in the premises. Such applications  
377 shall be preferred cases, to be heard, unless cause appears to the  
378 contrary, at the first session, by the court or by a committee appointed  
379 by the court. Said court may grant such relief as may be equitable and,  
380 if the application is without probable cause, may tax double or triple  
381 costs, as the case demands; and, upon all applications which are  
382 denied, costs may be taxed against the applicant at the discretion of the  
383 court, but no costs shall be taxed against the state.]

384       Sec. 5. Section 12-129c of the general statutes is repealed and the  
385 following is substituted in lieu thereof:

386       (a) No claim shall be accepted under section 12-129b unless the  
387 taxpayer or [his] authorized agent of such taxpayer files an application  
388 with the assessor of the municipality in which the property is located,  
389 in affidavit form as provided by the Secretary of the Office of Policy  
390 and Management, during the period from February first to and  
391 including May fifteenth of any year in which benefits are first claimed,  
392 including such information as is necessary to substantiate said claim in  
393 accordance with requirements in such application. A taxpayer may  
394 make application to the secretary prior to August fifteenth of the claim  
395 year for an extension of the application period. The secretary may  
396 grant such extension in the case of extenuating circumstance due to

397 illness or incapacitation as evidenced by a physician's certificate to that  
398 extent, or if the secretary determines there is good cause for doing so.  
399 The taxpayer shall present to the assessor a copy of such taxpayer's  
400 federal income tax return and the federal income tax return of such  
401 taxpayer's spouse, if filed separately, for such taxpayer's taxable year  
402 ending immediately prior to the submission of the taxpayer's  
403 application, or if not required to file a federal income tax return, such  
404 other evidence of qualifying income in respect to such taxable year as  
405 the assessor may require. Each such application, together with the  
406 federal income tax return and any other information submitted in  
407 relation thereto, shall be examined by the assessor and if the  
408 application is approved by the assessor, it shall be forwarded to the  
409 secretary on or before July first of the year in which such application is  
410 approved, provided in the case of a taxpayer who received a filing date  
411 extension from the secretary, such application shall be forwarded to  
412 the secretary not later than ten business days after the date it is filed  
413 with the assessor. After a taxpayer's claim for the first year has been  
414 filed and approved such taxpayer shall be required to file such an  
415 application biennially. In respect to such application required after the  
416 filing and approval for the first year the tax assessor in each  
417 municipality shall notify each such taxpayer concerning application  
418 requirements by regular mail not later than February first of the  
419 assessment year in which such taxpayer is required to reapply,  
420 enclosing a copy of the required application form. Such taxpayer may  
421 submit such application to the assessor by mail provided it is received  
422 by the assessor not later than March fifteenth in the assessment year  
423 with respect to which such tax relief is claimed. Not later than April  
424 first of such year the assessor shall notify, by certified mail, any such  
425 taxpayer for whom such application was not received by said March  
426 fifteenth concerning application requirements and such taxpayer shall  
427 be required not later than May fifteenth to submit such application  
428 personally or for reasonable cause, by a person acting in behalf of such  
429 taxpayer as approved by the assessor. [, however, in the case of

430 extenuating circumstance due to illness or incapacitation as evidenced  
431 by a physician's certificate to that extent, the taxpayer may make  
432 application to the Secretary of the Office of Policy and Management  
433 prior to August fifteenth of the claim year for any extension of the  
434 application period. In submitting any such application such taxpayer  
435 shall present to the assessor in substantiation thereof a copy of such  
436 taxpayer's federal income tax return and that of such taxpayer's  
437 spouse, if filed separately, for such taxpayer's taxable year ending  
438 immediately prior to the submission of such application, or if not  
439 required to file a federal income tax return, such other evidence of  
440 qualifying income in respect to such taxable year as the assessor may  
441 require. Each such application, together with the federal income tax  
442 return and any other information submitted in relation thereto, shall be  
443 examined by the assessor and if the application is approved,  
444 forwarded to the Secretary of the Office of Policy and Management on  
445 or before July first of the year in which such application is approved.]

446 [(b) Applicants making application in the calendar year 1974 and  
447 eligible applicants under section 12-129b who have failed to make  
448 application for benefits thereunder within sixty days following the  
449 1973 assessment date, or in the towns of Glastonbury and South  
450 Windsor the 1974 assessment date, shall be permitted to make  
451 application for such benefits within sixty days following April 15,  
452 1974, in the usual manner, on the basis of their income for the calendar  
453 year 1973. Such affidavit shall not be open for public inspection.]

454 [(c)] (b) Any person knowingly making a false affidavit for the  
455 purpose of [exemption from taxation] claiming property tax relief  
456 under section 12-129b and this section shall be [imprisoned not more  
457 than one year or] fined not more than five hundred dollars, [, or both]  
458 Any person who fails to disclose all matters relating thereto or with  
459 intent to defraud makes a false statement shall refund all tax relief  
460 improperly taken.

461       Sec. 6. Section 12-129d of the general statutes is repealed and the  
462 following is substituted in lieu thereof:

463       (a) On or before January first, annually, the tax collector of each  
464 municipality shall certify to the Secretary of the Office of Policy and  
465 Management, on a form furnished by [him] the secretary, the amount  
466 of tax revenue which such municipality, except for the provisions of  
467 section 12-129b, would have received, together with such supporting  
468 information as said secretary may require. On or after December 1,  
469 1989, any municipality which neglects to transmit [to the Secretary of  
470 the Office of Policy and Management] the claim and supporting  
471 information as required by this section shall forfeit two hundred fifty  
472 dollars to the state, provided said secretary may waive such forfeiture  
473 in accordance with procedures and standards adopted by regulation in  
474 accordance with chapter 54. Said secretary shall review each such  
475 claim [and, not later than the January first next succeeding the  
476 deadline for the receipt of such claims, shall notify each municipality  
477 of his acceptance or modification of such claim. Any municipality  
478 aggrieved by the action of the secretary under the provisions of this  
479 section may appeal therefrom within thirty days to the superior court  
480 for the judicial district in which the municipality is located] in  
481 accordance with the procedure set forth in section 1 of this act. Any  
482 claimant aggrieved by the results of the secretary's review shall have  
483 the rights of appeal as set forth in section 1 of this act.

484       (b) The Secretary of the Office of Policy and Management shall, on  
485 or before August fifteenth, annually, certify to the Comptroller the  
486 amount due each municipality under the provisions of subsection (a)  
487 of this section, including any modification of such claim made prior to  
488 August fifteenth, and the Comptroller shall draw [his] an order on the  
489 Treasurer on or before the first day of September following and the  
490 Treasurer shall pay the amount thereof to such municipality on or  
491 before the fifteenth day of September following. If any modification is  
492 made as the result of the provisions of subsection (a) of this section on



493 or after the August fifteenth following the date on which the tax  
494 collector has provided the amount of tax revenue in question, any  
495 adjustments to the amount due to any municipality for the period for  
496 which such modification was made shall be made in the next payment  
497 the Treasurer shall make to such municipality pursuant to this section.

498 [(c) If, in the process of verification, the Secretary of the Office of  
499 Policy and Management finds a claim for tax relief under this section  
500 to be mathematically incorrect, not supported by the application or not  
501 in conformance with the law or that additional information is needed  
502 to justify approving any such claim for reimbursement, he shall notify  
503 the assessor or assessors and tax collector and advise him or them of  
504 the deficiencies therein, or he may correct and fix the amount of such  
505 tax relief and notify the assessor or assessors and tax collector thereof.  
506 The assessors shall notify the applicant, in writing, of any correction to  
507 the amount of tax relief as claimed. Any person aggrieved by the  
508 action of the secretary or the assessor or assessors in fixing the amount  
509 of such tax relief or in disapproving any such claim may appeal to the  
510 secretary, in writing, within thirty days from the date of the  
511 notification so given, giving notice of such grievance. The secretary  
512 shall promptly consider such notice and may grant or deny the relief  
513 requested, provided such decision shall be made not later than sixty  
514 days after the receipt of such notice. If the relief is denied, the applicant  
515 shall be notified forthwith and may, within thirty days after receipt of  
516 such notification, request a hearing before such secretary. The  
517 secretary shall fix a time and place for such hearing within the judicial  
518 district in which the applicant resides and shall notify the applicant of  
519 such time and place not later than fifteen days prior to such hearing.  
520 At such time he may subpoena witnesses and may administer oaths  
521 and make such inquiries as may be necessary to determine the amount  
522 of tax relief to conform to the provisions of sections 12-129b to 12-129d,  
523 inclusive. If the applicant is aggrieved in respect to any action of the  
524 Secretary of the Office of Policy and Management under this section,  
525 he may, within thirty days appeal to the superior court for the judicial

526 district in which he resides. Any applicant who wilfully fails to  
527 disclose all matters relating thereto or with intent to defraud makes a  
528 false statement shall refund all credits improperly taken and shall be  
529 fined not more than five hundred dollars or imprisoned for one year or  
530 both.]

531 Sec. 7. Section 12-170f of the general statutes is repealed and the  
532 following is substituted in lieu thereof:

533 (a) Any renter, believing himself or herself to be entitled to a grant  
534 under section 12-170d for any calendar year, shall make application for  
535 such grant to the assessor [or assessors] of the municipality in which  
536 [he] the renter resides or to the duly authorized [agents] agent of such  
537 assessor or [assessors for such grant] municipality on or after May  
538 fifteenth and not later than September fifteenth of each year with  
539 respect to such grant for the calendar year preceding each such year,  
540 on a form prescribed and furnished by the Secretary of the Office of  
541 Policy and Management to the [local] assessor, [or assessors.] A renter  
542 may make application to the [Secretary of the Office of Policy and  
543 Management] secretary prior to December fifteenth of the claim year  
544 for an extension of the application period. The secretary may grant  
545 such extension [if he] in the case of extenuating circumstance due to  
546 illness or incapacitation as evidenced by a physician's certificate to that  
547 extent, or if the secretary determines there is good cause for doing so.  
548 [Notwithstanding the provisions of this subsection a request for an  
549 extension of the 1997 claim year application period may be made not  
550 later than August 1, 1998.] A renter making such application shall  
551 present to such assessor [, assessors] or [agents] agent, in  
552 substantiation of [his] the renter's application, a copy of [his] the  
553 renter's federal income tax return, and if not required to file a federal  
554 income tax return, such other evidence of qualifying income, receipts  
555 for money received, or cancelled checks, or copies thereof, and any  
556 other evidence the assessor [, assessors] or such agent may require.  
557 When the assessor [, assessors] or [agents] agent is [or are] satisfied

558 that the applying renter is entitled to a grant, such assessor or  
559 [assessors or agents] agent shall issue a certificate of grant, in triplicate,  
560 in such form as the [Secretary of the Office of Policy and Management]  
561 secretary may prescribe and supply showing the amount of the grant  
562 due. The assessor [or assessors] or agent shall forward the original  
563 copy and attached application to the [Secretary of the Office of Policy  
564 and Management] secretary not later than the last day of the month  
565 following the month in which the renter has made application. On or  
566 after December 1, 1989, any municipality which neglects to transmit to  
567 the [Secretary of the Office of Policy and Management] secretary the  
568 claim and supporting applications as required by this section shall  
569 forfeit two hundred fifty dollars to the state, provided said secretary  
570 may waive such forfeiture in accordance with procedures and  
571 standards adopted by regulation in accordance with chapter 54. A  
572 duplicate of such certificate with a copy of the application attached  
573 shall be delivered to the [applicant] renter and the assessor [, assessors]  
574 or [agents] agent shall keep the third copy of such certificate and a  
575 copy of the application. [for their records.] After the secretary's review  
576 of each claim, pursuant to section 1 of this act, and verification of the  
577 amount of the grant the [Secretary of the Office of Policy and  
578 Management] secretary shall, not later than September thirtieth of each  
579 year prepare a list of certificates approved for payment, [by him,] and  
580 shall thereafter supplement such list monthly. Such list and any  
581 supplements thereto shall be approved for payment by the [Secretary  
582 of the Office of Policy and Management] secretary and shall be  
583 forwarded by [him] the secretary to the [State] Comptroller, not later  
584 than ninety days after receipt of such applications and certificates of  
585 grant from the assessor or [assessors] agent, and the [State]  
586 Comptroller shall draw [his] an order [upon] on the [State] Treasurer,  
587 not later than fifteen days following, in favor of each person on such  
588 list and on supplements to such list in the amount of such person's  
589 claim and the Treasurer shall pay such amount to such person, not  
590 later than fifteen days following. Any claimant aggrieved by the

591 results of the secretary's review shall have the rights of appeal as set  
592 forth in section 1 of this act. Applications filed under this section shall  
593 not be open for public inspection. Any person who, for the purpose of  
594 obtaining a grant under section 12-170d, wilfully fails to disclose all  
595 matters related thereto or with intent to defraud makes false statement  
596 shall be fined not more than five hundred dollars.

597 (b) Any municipality may provide, upon approval by its legislative  
598 body, that the duties and responsibilities of the assessor, as required  
599 under this section, [and section 12-170g,] shall be transferred to (1) the  
600 officer in such municipality having responsibility for the  
601 administration of social services, or (2) the coordinator or agent for the  
602 elderly in such municipality.

603 [(c) Notwithstanding the provisions of subsection (a) of this section,  
604 any renter who files an application for a grant pursuant to the  
605 increased income levels as established in section 12-170e between July  
606 1, 1988, and December 1, 1988, inclusive, shall be included on a claim  
607 to be filed with the Secretary of the Office of Policy and Management  
608 by the assessor or assessors, within sixty days of receipt of such  
609 application. Such claims shall be reviewed and approved for payment  
610 by said secretary and shall be forwarded by him to the State  
611 Comptroller, not later than the fifteenth day of May next following.  
612 The State Comptroller shall draw his order upon the State Treasurer,  
613 not later than fifteen days following, in favor of each such person's  
614 claim, and the Treasurer shall pay such amount to such person not  
615 later than fifteen days following.]

616 Sec. 8. Subsection (f) of section 12-170aa of the general statutes is  
617 repealed and the following is substituted in lieu thereof:

618 (f) Any homeowner, believing [himself] such homeowner is entitled  
619 to tax reduction benefits under this section for any assessment year,  
620 shall make application as required in subsection (e) of this section, to  
621 the assessor of the municipality in which [he] the homeowner resides,

622 for such tax reduction at any time from February first to and including  
623 May fifteenth of the year in which tax reduction is claimed. [In the case  
624 of extenuating circumstances of the homeowner's illness or  
625 incapacitation, evidenced by a physician's certificate to that effect, the  
626 homeowner may make application to the Secretary of the Office of  
627 Policy and Management prior to August fifteenth of the year in which  
628 tax reduction is claimed for an extension of the application period] A  
629 homeowner may make application to the secretary prior to August  
630 fifteenth of the claim year for an extension of the application period.  
631 The secretary may grant such extension in the case of extenuating  
632 circumstance due to illness or incapacitation as evidenced by a  
633 physician's certificate to that extent, or if the secretary determines there  
634 is good cause for doing so. Such application for tax reduction benefits  
635 shall be submitted on a form prescribed and furnished by the  
636 [Secretary of the Office of Policy and Management] secretary to the  
637 [local assessors] assessor. In making application the homeowner shall  
638 present to such assessor, in substantiation of [his] such homeowner's  
639 application, a copy of such homeowner's federal income tax return,  
640 including a copy of the social security statement of earnings for such  
641 homeowner, and that of such homeowner's spouse, if filed separately,  
642 for such homeowner's taxable year ending immediately prior to the  
643 submission of such application, or if not required to file a return, such  
644 other evidence of qualifying income in respect to such taxable year as  
645 may be required by the assessor. When the assessor is satisfied that the  
646 applying homeowner is entitled to tax reduction in accordance with  
647 this section, such assessor shall issue a certificate of credit, in such  
648 form as the [Secretary of the Office of Policy and Management]  
649 secretary may prescribe and supply showing the amount of tax  
650 reduction allowed. A duplicate of such certificate shall be delivered to  
651 the applicant and the tax collector of the municipality and the assessor  
652 [or assessors] shall keep the fourth copy of such certificate and a copy  
653 of the application. [for their records] Any homeowner who, for the  
654 purpose of obtaining a tax reduction under this section, wilfully fails to

655 disclose all matters related thereto or with intent to defraud makes  
656 false statement shall refund all property tax credits improperly taken  
657 and shall be fined not more than five hundred dollars. Applications  
658 filed under this section shall not be open for public inspection.

659 Sec. 9. Subsection (g) of section 12-170aa of the general statutes is  
660 repealed and the following is substituted in lieu thereof:

661 (g) On or before July first, annually, each municipality shall submit  
662 to the [Secretary of the Office of Policy and Management] secretary, a  
663 claim for the tax reductions [to be claimed] approved under this  
664 section in relation to the assessment list of October first immediately  
665 preceding. On or after December 1, 1987, any municipality which  
666 neglects to transmit to the [Secretary of the Office of Policy and  
667 Management] secretary the claim as required by this section shall  
668 forfeit two hundred fifty dollars to the state provided the secretary  
669 may waive such forfeiture in accordance with procedures and  
670 standards established by regulations adopted in accordance with  
671 chapter 54. Subject to procedures for review and approval of such data  
672 [, including additions and adjustments, to be established by  
673 regulations] pursuant to section 1 of this act, said secretary shall, on or  
674 before December first next following, certify to the Comptroller the  
675 amount due each municipality as reimbursement for loss of property  
676 tax revenue related to the tax reductions allowed under this section.  
677 The Comptroller shall draw [his] an order on the Treasurer on or  
678 before the fifteenth day of December and the Treasurer shall pay the  
679 amount due each municipality not later than the thirty-first day of  
680 December. [, next following, provided in a case of any credit adjusted  
681 pursuant to section 12-170cc, the state may adjust the reimbursement  
682 made to a municipality for the following calendar year to reflect the  
683 adjustment made in relation to such credit] Any claimant aggrieved by  
684 the results of the secretary's review shall have the rights of appeal as  
685 set forth in section 1 of this act.

686       Sec. 10. Section 32-9s of the general statutes is repealed and the  
687 following is substituted in lieu thereof:

688       The state shall make an annual grant payment to each municipality,  
689 to each district, as defined in section 7-325, which is located in a  
690 distressed municipality, targeted investment community or enterprise  
691 zone and to each special services district created pursuant to chapter  
692 105a which is located in a distressed municipality, targeted investment  
693 community or enterprise zone (1) in the amount of fifty per cent of the  
694 amount of that tax revenue which the municipality or district would  
695 have received except for the provisions of subdivisions (59) and (60) of  
696 section 12-81, and (2) in the amount of fifty per cent of the amount of  
697 the tax revenue which the municipality or district would have received  
698 except for the provisions of subdivision (70) of section 12-81. On or  
699 before the first day of August of each year, each municipality and  
700 district shall file a claim with the Secretary of the Office of Policy and  
701 Management for the amount of such grant payment to which such  
702 municipality or district is entitled under this section. The claim shall be  
703 made on forms prescribed by the [Secretary of the Office of Policy and  
704 Management] secretary and shall be accompanied by such supporting  
705 information as the [Secretary of the Office of Policy and Management]  
706 secretary may require. Any municipality or district which neglects to  
707 transmit to the [Secretary of the Office of Policy and Management]  
708 secretary such claim and supporting documentation as required by  
709 this section shall forfeit two hundred fifty dollars to the state, provided  
710 the secretary may waive such forfeiture in accordance with procedures  
711 and standards adopted by regulation in accordance with chapter 54.  
712 The [Secretary of the Office of Policy and Management] secretary shall  
713 [notify each municipality or district which has made such a claim of  
714 the acceptance or modification of the claim not later than the August  
715 first next succeeding the deadline for the receipt of such claims. Any  
716 municipality or district aggrieved by the action of the Secretary of the  
717 Office of Policy and Management under the provisions of this section  
718 may appeal, within one month of receipt of any notice made pursuant

719 to this section, to the superior court for the judicial district in which  
720 such municipality or district is located. The Secretary of the Office of  
721 Policy and Management] review each such claim as provided in  
722 section 1 of this act. Any claimant aggrieved by the results of the  
723 secretary's review shall have the rights of appeal as set forth in section  
724 1 of this act. The secretary shall, on or before the December first next  
725 succeeding the deadline for the receipt of such claims, certify to the  
726 Comptroller the amount due under this section, including any  
727 modification of such claim made prior to December first, to each  
728 municipality or district which has made a claim under the provisions  
729 of this section. The Comptroller shall draw an order on the Treasurer  
730 on or before the following December fifteenth, and the Treasurer shall  
731 pay the amount thereof to each such municipality or district on or  
732 before the following December thirty-first. If any modification is made  
733 as the result of the provisions of this section on or after the December  
734 first following the date on which the municipality or district has  
735 provided the amount of tax revenue in question, any adjustment to the  
736 amount due to any municipality or district for the period for which  
737 such modification was made shall be made in the next payment the  
738 Treasurer shall make to such municipality or district pursuant to this  
739 section.

740 Sec. 11. Subsection (b) of section 12-170d of the general statutes is  
741 repealed and the following is substituted in lieu thereof:

742 (b) For purposes of determining qualifying income under subsection  
743 (a) of this section with respect to a married renter who submits an  
744 application for a grant in accordance with sections 12-170d to [12-170g]  
745 12-170f, inclusive, the Social Security income of the spouse of such  
746 renter shall not be included in the qualifying income of such renter, for  
747 purposes of determining eligibility for benefits under said sections, if  
748 such spouse is a resident of a health care or nursing home facility in  
749 this state receiving payment related to such spouse under the Title XIX  
750 Medicaid program. An applicant who is legally separated pursuant to



751 the provisions of section 46b-40, as of the thirty-first day of December  
752 preceding the date on which such person files an application for a  
753 grant in accordance with sections 12-170d to [12-170g] 12-170f,  
754 inclusive, may apply as an unmarried person and shall be regarded as  
755 such for purposes of determining qualifying income under subsection  
756 (a) of this section.

757 Sec. 12. Section 12-170g and section 12-170cc of the general statutes  
758 are repealed.

759 Sec. 13. This act shall take effect July 1, 2001.

***Statement of Legislative Commissioners:***

In subsec. (a) of section 1, the defined terms were reorganized and numbered for clarity and ensuring accuracy in the references; in subsec. (c) of section 1, the phrase "from reimbursement" was inserted after "exclude" for accuracy of reference; and in subdiv. (1) of subsec. (d) of section 1, the phrase "request for reconsideration" replaced "appeal" for accuracy of reference.

***PD***        ***JOINT FAVORABLE SUBST.-LCO***

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Affected Agencies:** Office of Policy and Management

**Municipal Impact:** None

**Explanation****State Impact:**

The bill makes changes to the procedures that must be followed to appeal decisions by the Office of Policy and Management (OPM) to modify or deny benefits under certain financial assistance programs. It makes these procedures more consistent across the eight separate state reimbursement programs for property tax exemptions, property tax credits and rental rebates. These changes are not expected to alter either the cost of entitlements granted through the programs or the cost to administer the programs, because the number of appeals made and their likely outcomes is unaffected by the bill.

The bill allows OPM to hold hearings at locations convenient to claimants. In practice, OPM already exercises this discretion. Therefore, there is no cost related to this provision.

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**OLR Bill Analysis**

sSB 1124

***AN ACT CONCERNING A UNIFORM ADMINISTRATIVE REVIEW PROCESS RELATED TO CERTAIN STATE-REIMBURSED PROPERTY TAX EXEMPTIONS, PROPERTY TAX CREDITS AND RENTAL REBATES.*****SUMMARY:**

This bill establishes a uniform procedure under which people and businesses (i.e., claimants) can appeal state decisions affecting their eligibility for benefits under several state-funded, locally administered property tax exemption and relief programs. The procedure applies to decisions the Office of Policy and Management (OPM) secretary makes when he reviews applications for state funds under these programs.

The procedure replaces the current ones for appealing decisions under the following programs: additional veterans' exemptions, exemptions for manufacturing machinery and equipment and commercial vehicles, elderly tax freeze, rental rebates for elderly and totally disabled renters, and property tax credits for elderly and totally disabled homeowners (i.e., circuit breakers).

The procedure applies to two other programs that currently have no procedure through which claimants can appeal state decisions affecting their benefits. These provide exemptions for totally disabled people and manufacturers in designated areas, such as enterprise zones.

The procedure requires claimants and the secretary to take specific steps, imposes deadlines for completing them, and requires each request and decision to be in writing. The secretary must issue two notices before taking final action on a claimant's application. The claimant can request a hearing after the second notice. The secretary can choose not to hold the hearing, and the claimant can appeal this decision to Superior Court. He can also appeal the secretary's final

decision after a hearing.

The bill makes other changes to some of these programs. It sets uniform conditions under which the secretary can extend the deadline by which elderly and totally disabled homeowners and renters can apply for tax credits and rental rebates. It also sets a deadline by which tax assessors must review, approve, and submit to the secretary late applications for tax freeze.

The bill eliminates the one-year prison term for making a false statement under the tax freeze, rental rebate, and circuit breaker programs. But it requires people receiving tax freeze benefits to refund them if they fail to disclose all matters relating to the benefit or make false statements with the intent to defraud.

The bill repeals several obsolete statutes.

EFFECTIVE DATE: July 1, 2001

## **UNIFORM ADMINISTRATIVE APPEALS PROCEDURE**

### ***Covered Programs***

The bill creates a uniform procedure through which individuals and businesses can appeal decisions disqualifying their properties for benefits or modifying the benefit amount. It applies to programs reimbursing towns for exempting commercial vehicles and manufacturing facilities, machinery, and equipment. It also applies to programs extending tax credits and rebates to veterans, people with disabilities, and elderly and disabled homeowners and renters.

The procedure replaces current appeals processes regarding these benefits, but it incorporates many elements of the current procedure for appealing decisions regarding exemptions for commercial vehicles and manufacturing machinery and equipment.

### ***Secretary's Authority***

The bill explicitly allows the secretary to take certain actions that could trigger an appeal. He can review applications for benefits and reject

them if the property or the claimant is ineligible. He can also modify the amount of the benefit approved by the tax assessor or another other municipal official if it is mathematically incorrect, unsupported by the application, or fails to conform to the law. He can also modify the amount if he needs more information to justify its approval.

### ***Preliminary Decision and Notice***

The secretary must notify the person or the business claiming a benefit when taking these actions. He must send the notice by first class mail to the address on the application unless the claimant notified him in writing to send correspondence about the benefit to another name or address. The notice date constitutes the date the claimant receives it.

The secretary must send a copy of this preliminary notice to the assessor or the municipal official who approved the claimant's application. The notice must plainly explain the reasons for the secretary's actions, give the name and telephone number of the person in OPM who can answer questions about the notice, specify any additional information the secretary needs to approve the benefit, and specify the process for asking the secretary to reconsider his decision.

The claimant has 30 business days from when he received this notice to ask the secretary to reconsider his decision for any factual reason. He must explain in writing why he wants the secretary to reconsider his decision and provide any additional information or documentation the secretary requested in the notice. The secretary can extend the 30-day deadline if the claimant proves he requested the additional information and documentation from another government agency. He can also extend this deadline for other good cause. Within 30 business days after receiving the claimant's request and the information, the secretary must reconsider his decision and notify the claimant in writing about the results.

### ***Hearing***

The claimant can request a hearing if the secretary's decision aggrieves him. He must do so in writing within 30 business days of the secretary's notice, stating why the secretary should not deny or modify the benefit.

The secretary has 30 business days from when he receives the request to decide whether to hold the hearing and notify the claimant in writing about his decision. If he denies the request, he must state his reasons. If he approves, he must notify the claimant in writing and schedule a hearing within 30 business days. The notice must also indicate the hearing date, time, and place. The secretary may hold the hearing in the judicial district where the claimant lives or where his property is located.

The secretary has up to 30 business days after the hearing to decide the issue and notify the claimant and the assessor or the municipal official who approved the benefit. He must notify the claimant and appropriate local officials about his final decision before the statutory deadline for certifying the benefit amount to the comptroller.

### ***Appeal to Superior Court***

The claimant can appeal to Superior Court if the secretary rejects his request for a hearing or if the secretary's final decision after the hearing aggrieves him. In either case, he must do so within 30 business days of the decision. He can appeal to the court in the judicial district where he lives or where his property is located.

The claimant must accompany the appeal with a citation to the secretary to appear in court. The citation must be served on the secretary like a summons in a civil action. The appeal does not stop the town from collecting taxes on the claimant's property.

The claimant must provide a bond or other surety to the state to insure that he will go through with the appeal and comply with the court's orders and decrees. The court must treat the appeal as a preferred case and grant equitable relief. It can impose court costs on the claimant if it denies the appeal, and double or triple costs on the claimant if the appeal is without probable cause. It cannot impose costs on the state.

### ***Changing the Grand List***

Assessors must decide if they need to increase the taxable grand list after the secretary first notifies them that he denied or modified a

benefit. The bill gives them up to 90 days after the notice to do this and notify the tax collector about it. The tax collector must send a new bill within 30 days. The claimant has up to 30 days from receiving this bill to pay the tax or otherwise pay the statutory interest penalty.

An assessor must hold off taking these actions if the secretary notifies him that he has agreed to a hearing on the claimant's application. In this case, he must wait until the secretary sends him the notice of final determination.

## **HOW THE PROCEDURE DIFFERS FROM THE CURRENT ONES**

### ***Additional Veterans' Exemption Program***

Current law allows the secretary to hear appeals from veterans aggrieved by an assessor's decision and adopt regulations for auditing and adjusting towns' applications for reimbursement.

The bill explicitly authorizes the secretary to review applications for benefits under this program, but only after a town submits a claim for reimbursement. The bill allows claimants to appeal directly to the secretary when he makes decisions affecting their exemptions. Under current law, they can appeal to the secretary an assessor's decision affecting their applications, but not a decision the secretary made after auditing the town's claim for reimbursement.

Claimants can still appeal the assessor's decision to the town's board of assessment appeals. Current law gives them the option of appealing the assessor's decision after he completes the grand list or appealing to the board in February. Under the bill, claimants can appeal to the secretary after he acts on a town's claim for reimbursement in July.

### ***Totally Disabled Person's Property Tax Exemption***

Current law provides no procedure under which claimants can appeal a decision the secretary makes regarding their exemption. It allows the secretary to review claims towns submit for state reimbursement and allows them to appeal his decisions regarding these claims. The bill eliminates the towns' right to appeal these decisions.

***Machinery and Equipment and Commercial Vehicles Tax Exemptions***

The bill changes the hearing requirements for these exemptions. It requires claimants to ask the secretary to reconsider a decision before they can request a hearing. Current law allows them to request a hearing when the secretary first notifies them about changes affecting their benefits.

The bill gives a claimant up to 30 business days to request the hearing while current law gives him a month. The bill requires the secretary to reconsider a decision before the claimant can request a hearing. It imposes deadlines by which the secretary must decide whether to hold the hearing and, if he chooses to, when to hold it. The bill requires him to render a decision within 30 business days of the hearing while current law gives him 60 days.

***Elderly Tax Freeze Program***

The bill eliminates decisions the secretary makes after reviewing reimbursement claims. It also eliminates a claimant's right to appeal to the secretary an assessor's decision affecting his benefit.

The bill's hearing requirements under this program differ from those under current law. The bill gives the claimant up to 30 business days to request the hearing while current law gives him 30 days. The bill imposes deadlines by which the secretary must decide whether to hold the hearing and, if he chooses to, when to hold it. Current law requires him to hold the hearing. The bill requires the secretary to decide the matter within 30 business days of the hearing instead of 60 days.

The bill and current law allow the claimant to appeal the secretary's decision to Superior Court, but the bill specifies how he must do so.

***Rental Rebate Program for Elderly and Totally Disabled Persons***

The bill drops the 60-day deadline by which the secretary must review certificates for rental rebates and notify assessors and claimants about errors. It gives a claimant 30 business days to ask the secretary to reconsider his decision, instead of 30 days. It also shortens from 60



days to 30 business days the secretary's deadline for acting on the claimant's request. The bill drops the provision allowing claimants to appeal assessors' decisions to OPM.

If the claimant requests a hearing, the bill requires him to state why the secretary should not deny him the rebate; current law does not. The bill allows, rather than requires, the secretary to hold a hearing on the request. If he agrees to the hearing, he must schedule it within 30 businesses days after notifying the claimant. And he must render a decision within 30 days after the hearing. Current law only requires the secretary to notify the claimant at least 15 days before the hearing. The bill does not explicitly allow the secretary to subpoena witnesses and administer oaths at the hearing.

The bill, like current law, allows the claimant to appeal the secretary's decision to Superior Court, but specifies how he must do so.

The bill reduces the penalty for making false statements to obtain a rebate. Currently, a claimant faces a fine of up to \$500, imprisonment of up to one year, or both. The bill drops the prison term.

### ***Circuit Breaker Program for Elderly and Totally Disabled Persons***

The bill drops the one-year deadline by which the secretary must review certificates for circuit breaker tax credits and notify assessors and claimants about any errors he found. The other changes are identical to those the bill makes to the rental rebate program.

### ***Property Tax Exemptions for Manufacturing Facilities and Machinery and Equipment***

The bill allows businesses receiving these exemptions to appeal the secretary's decisions that could affect them. It eliminates a town's right to appeal the secretary's decision denying reimbursement of the tax exemptions granted under this program.

Businesses qualify for these exemptions based on statutory criteria. The economic and community development commissioner certifies their eligibility. Businesses can ask the commissioner for a hearing if he denies their claims and can appeal his decision to Superior Court. The

bill lets claimants appeal to the secretary if he denies or modifies their exemption.

## **AUTHORITY TO EXTEND APPLICATION FILING DEADLINES**

### ***Elderly and Disabled Circuit Breaker and Rental Rebate Programs***

The bill sets uniform conditions under which the secretary can extend the deadline for submitting applications under the tax freeze and circuit breaker programs for elderly and totally disabled homeowners and renters. It allows the secretary to extend the deadline for submitting rental rebate applications for people who a doctor certifies as having been ill or incapacitated because of extenuating circumstances. The secretary can already extend the deadline for good cause.

The bill also allows him to extend the deadline for submitting applications under the homeowner program for good cause. Currently, he can extend the deadline for applicants who were certified by a doctor as having been ill or incapacitated because of extenuating circumstances.

### ***Elderly Tax Freeze Program***

The bill gives assessors 10 days to review, approve, and submit to the secretary applications for elderly tax freeze benefits submitted by people to whom he granted an extension. Eligible homeowners must apply for the benefits between February 1 and May 15 each year. Those needing an extension must ask the secretary by August 15.

## **COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 18      Nay 0